

By: Miles

H.B. No. 3121

A BILL TO BE ENTITLED

AN ACT

relating to health coverage or health services for Texans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Health and Safety Code is amended by adding Title 13 to read as follows:

TITLE 13. HEALTH COVERAGE OR HEALTH SERVICES

SUBTITLE A. GENERAL PROVISIONS

CHAPTER 2001. DEFINITIONS

Sec. 2001.001. GENERAL DEFINITIONS. In this title:

(1) "Commission" means the Health and Human Services Commission.

(2) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

[Chapters 2002-2100 reserved for expansion]

SUBTITLE B. DUTIES OF EMPLOYERS

CHAPTER 2101. EMPLOYER CONTRIBUTIONS

Sec. 2101.001. DEFINITIONS. In this chapter:

(1) "Large employer" means a person who employed an average of at least 100 eligible employees on business days during the preceding calendar year.

(2) "Medium-sized employer" means a person who employed an average of at least 20 but not more than 99 eligible employees on business days during the preceding calendar year.

Sec. 2101.002. DETERMINATION OF EMPLOYER STATUS. For an

1 employer that did not exist throughout the calendar year preceding
2 the year in which the determination of whether the employer is a
3 large or medium-sized employer is made, the determination is based
4 on the average number of employees and eligible employees the
5 employer reasonably expects to employ on business days in the
6 calendar year in which the determination is made.

7 Sec. 2101.003. BASIC HEALTH CARE RATE EXPENDITURE
8 DETERMINED. The comptroller shall compute the basic health care
9 expenditure rate for each state fiscal year. The rate is equal to
10 the average monthly amount paid by the Teacher Retirement System of
11 Texas during the preceding state fiscal year for coverage for a
12 covered employee under the primary care coverage plan offered under
13 Chapter 1579, Insurance Code, divided by 172.

14 Sec. 2101.004. COMPUTATION OF EMPLOYEE HOURS; LIMIT. In
15 this chapter, "employee hour" means each hour for which an employee
16 is entitled to payment from an employer, whether the payment is made
17 on an hourly basis or as salary, and including amounts paid for
18 vacation, sick leave, and personal leave. Notwithstanding the
19 number of hours actually worked, the maximum monthly number of
20 employee hours for which a contribution must be made under this
21 chapter for an employee is 172.

22 Sec. 2101.005. REQUIRED EMPLOYER CONTRIBUTION. Each large
23 or medium-sized employer in this state shall contribute the amount
24 required by this chapter for health coverage or health services for
25 the employer's employees.

26 Sec. 2101.006. AMOUNT OF REQUIRED CONTRIBUTION. (a) A
27 large employer shall contribute for each month an amount equal to 75

1 percent of the basic health care expenditure rate multiplied by the
2 employer's total number of employee hours for that month. The
3 contribution under this subsection may not be less than \$1.60 for
4 each employee hour.

5 (b) A medium-sized employer shall contribute for each month
6 an amount equal to 50 percent of the basic health care expenditure
7 rate multiplied by the employer's total number of employee hours
8 for that month. The contribution under this subsection may not be
9 less than \$1.06 for each employee hour.

10 Sec. 2101.007. MANNER OF MAKING CONTRIBUTION; HEALTH
11 COVERAGE OR STATE CONTRIBUTION. A large or medium-sized employer
12 may make the contribution required by this chapter by:

13 (1) expending the amount of the contribution to
14 provide health coverage to the employer's employees through any
15 plan or program that meets the requirements established by the
16 executive commissioner, including any type of coverage that is
17 creditable coverage for purposes of Chapter 1205, Insurance Code;
18 or

19 (2) contributing to the Texas Health Access Program
20 established under Subtitle C.

21 CHAPTER 2102. ADMINISTRATION BY COMPTROLLER

22 Sec. 2102.001. REPORTING REQUIREMENTS. The comptroller by
23 rule shall establish reporting requirements to verify compliance
24 with Section 2101.007.

25 Sec. 2102.002. COLLECTION OF CONTRIBUTIONS. The
26 comptroller shall collect contributions made under Section
27 2101.007 and may by rule establish applicable deadlines and

1 procedures for collecting the contributions. Subtitles A and B,
2 Title 2, Tax Code, apply to the administration, collection, and
3 enforcement by the comptroller of contributions collected under
4 this section.

5 Sec. 2102.003. COOPERATION OF OTHER AGENCIES. In adopting
6 rules under this chapter, the comptroller may consult with any
7 agency of this state, including the Texas Workforce Commission.

8 [Chapters 2103-2200 reserved for expansion]

9 SUBTITLE C. TEXAS HEALTH ACCESS PROGRAM

10 CHAPTER 2201. ADMINISTRATION OF PROGRAM

11 Sec. 2201.001. DEFINITIONS. In this title:

12 (1) "Fund" means the Texas Health Access Program fund.

13 (2) "Program" means the Texas Health Access Program.

14 Sec. 2201.002. ADMINISTRATION BY COMMISSION; RULEMAKING.

15 (a) The commission administers the program.

16 (b) The executive commissioner may adopt rules in
17 accordance with Subchapter B, Chapter 2001, Government Code, as
18 necessary or appropriate for the administration of the program.

19 Sec. 2201.003. ELIGIBILITY. (a) A resident of this state
20 is eligible to receive health care services through the program if
21 the person is a resident of this state and is not covered under
22 health coverage that satisfies the requirements of Section
23 2101.007(1). The executive commissioner by rule may establish
24 additional eligibility requirements but may not require that an
25 individual be employed to be eligible for enrollment in the
26 program.

27 (b) The executive commissioner by rule may establish

1 procedures for verifying eligibility for enrollment in the program.

2 Sec. 2201.004. ENROLLMENT. The executive commissioner by
3 rule shall establish procedures for application and enrollment for
4 the program.

5 Sec. 2201.005. ENROLLEE CONTRIBUTION. An eligible resident
6 enrolled in the program shall pay a monthly contribution as
7 required by the executive commissioner by rule.

8 Sec. 2201.006. EVIDENCE OF COVERAGE. The commission may
9 issue a card or other evidence of coverage to be used by an eligible
10 resident to show proof that the resident is enrolled in the program.

11 CHAPTER 2202. HEALTH CARE PROVIDERS

12 Sec. 2202.001. DEFINITIONS. In this chapter:

13 (1) "Health care facility" means a public or private
14 hospital, emergency clinic, outpatient clinic, or other facility
15 providing health care services. The term includes a community-based
16 facility and a facility operated by a hospital district or another
17 political subdivision of this state.

18 (2) "Health care practitioner" means an individual who
19 is licensed to provide health care services. The term includes a
20 physician.

21 (3) "Health care provider" means a health care
22 facility or health care practitioner.

23 Sec. 2202.002. NETWORK OF HEALTH CARE PROVIDERS. The
24 executive commissioner shall contract with health care providers to
25 provide services to eligible residents enrolled in the program.

26 Sec. 2202.003. CREDENTIALING. The executive commissioner
27 may establish standards for participation in the program as a

1 health care provider to ensure the quality of the health care
2 services provided and the level of service provided.

3 Sec. 2202.004. PAYMENT RATES. The executive commissioner
4 may establish payment rates for participating health care
5 providers.

6 CHAPTER 2203. HEALTH CARE SERVICES

7 Sec. 2203.001. HEALTH CARE SERVICES PROVIDED DIRECTLY; NOT
8 INSURANCE. (a) The program provides health care services directly
9 to enrollees through contracted health care providers and is not
10 liable to reimburse the cost of services that are provided to
11 enrollees by health care providers that have not contracted with
12 the program.

13 (b) The program is not insurance and does not provide
14 coverage as a health maintenance organization. The program is not
15 subject to regulation under the Insurance Code.

16 Sec. 2203.002. SCOPE OF HEALTH CARE SERVICES PROVIDED. The
17 program provides health care services that the executive
18 commissioner determines are reasonably needed to maintain good
19 health and that are medically necessary for the enrollee.

20 Sec. 2203.003. MEDICAL HOME. The program must provide
21 health care services through a primary care model, in which a
22 physician, nurse practitioner, or physician assistant develops and
23 directs a plan of care for the enrollee, coordinates referrals for
24 medical testing and specialty services, and monitors the management
25 of chronic conditions and diseases.

26 CHAPTER 2204. TEXAS HEALTH ACCESS PROGRAM FUND

27 Sec. 2204.001. FUND. (a) The Texas Health Access Program

1 fund is a fund in the state treasury. The fund is composed of:

2 (1) contributions of employers made to the fund under
3 Section 2101.007;

4 (2) contributions of enrollees to the fund under
5 Section 2201.005;

6 (3) federal money allocated to the fund in accordance
7 with law;

8 (4) state contributions to the fund; and

9 (5) the earnings of the fund.

10 (b) The comptroller shall administer the fund in accordance
11 with this title.

12 Sec. 2204.002. APPLICATION FOR FEDERAL FUNDING. The
13 executive commissioner, through application for an appropriate
14 waiver from the Centers for Medicare and Medicaid Services or
15 another appropriate funding source, shall seek federal funding for
16 the operation of the program.

17 Sec. 2204.003. USE OF FUND. Money in the fund may be used
18 only to pay for contracted health care services under the program
19 and to administer the program in accordance with this chapter.

20 SECTION 2. The Health and Human Services Commission shall
21 implement the Texas Health Access Program not later than January 1,
22 2010. An employer is not required to make a contribution under
23 Section 2101.007, Health and Safety Code, as added by this Act, for
24 an employee hour that occurs before January 1, 2010.

25 SECTION 3. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2007.